

Message Text

LIMITED OFFICIAL USE

PAGE 01 LA PAZ 02234 01 OF 02 171732Z
ACTION EB-08

INFO OCT-01 ARA-10 ISO-00 L-03 GSA-02 CIAE-00 INR-10
NSAE-00 OES-07 INT-05 STR-07 COME-00 TRSE-00
OMB-01 INRE-00 HA-05 SS-15 SSO-00 NSCE-00 DODE-00
IO-13 SP-02 /089 W
-----029896 171753Z /50
O 171640Z MAR 78
FM AMEMBASSY LA PAZ
TO SECSTATE WASHDC IMMEDIATE 9923

LIMITED OFFICIAL USE SECTION 1 OF 2 LA PAZ 2234

E.O. 11652: N/A
TAGS: EMIN, BL, PDIP
SUBJ: BOLIVIAN AIDE-MEMOIRE ON US TIN STOCKPILE SALES.

BEGIN UNCLASSIFIED
FOLLOWING IS THE EMBASSY'S ENGLISH TRANSLATION OF A BOLIVIAN
AIDE MEMOIRE HANDED TO AMBASSADOR BOEKER BY GOB FOREIGN
MINISTER OSCAR ADRIAZOLA ON MARCH 16, 1978.

1. THE GOVERNMENT OF THE UNITED STATES OF AMERICA KNOWS IN
DETAIL THE HIGHLY PREJUDICIAL EFFECT THE BOLIVIAN ECONOMY
SUFFERS EACH TIME SIGNIFICANT QUANTITIES OF TIN ARE PLACED IN
THE INTERNATIONAL MARKET FROM THE STRATEGIC RESERVE ACCUMULATED
BY THE GENERAL SERVICES ADMINISTRATION; TO WHICH BOLIVIA
CONTRIBUTED AT CONSIDERABLE SACRIFICE, IN SUPPORT OF THE
DEFENSE OF THE DEMOCRACIES DURING WORLD WAR II.

2. FOR SUCH REASONS THE GOVERNMENT OF BOLIVIA IS DEEPLY
TROUBLED THAT THE ADMINISTRATION OF THE UNITED STATES OF
AMERICA WOULD HAVE MADE KNOWN ITS INTENTION TO AGAIN
THROW INTO THE INTERNATIONAL MARKET CONSIDERABLE VOLUMES OF THE
ABOVE MENTIONED GSA RESERVES.

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 LA PAZ 02234 01 OF 02 171732Z

3. THE UNITED STATES OF AMERICA ALSO KNOWS THAT THE BOLIVIAN
MINING INDUSTRY IS THE FUNDAMENTAL PILLAR OF THE BOLIVIAN
ECONOMY; ITS HIGH COSTS OF PRODUCTION, DEMONSTRATED ON
MORE THAN ONE OCCASION, REQUIRE REMUNERATIVE AND STABLE PRICES
AND MEASURES WHICH AVOID ANY DISTORTION OF WORLD MARKETS.

4. THE MARKET DISTURBANCES ROOTED IN ACTIONS LIKE THOSE

THAT THE BOLIVIAN GOVERNMENT IS PROTESTING TODAY, PROVOKE AS AN IMMEDIATE EFFECT A CLIMATE OF SOCIAL UNREST IN PRIVATE AND PUBLIC TIN MINES. SUCH A SITUATION DOES NOT CONTRIBUTE TO THE STRENGTHENING OF INTERNAL EFFORTS TO ACHIEVE NORMAL POLITICAL EVOLUTION AT A TIME WHEN THE GOVERNMENT OF THE ARMED FORCES OF BOLIVIA ARE ENDEAVORING TO GUIDE THE NATION TOWARD AN EFFECTIVE DEMOCRATIC GOVERNMENT.

5. EVERY DECISION THAT DEPARTS FROM INTERNATIONAL COOPERATION FOR DEVELOPMENT, AS A BASE FOR FRIENDLY AND STABLE RELATIONS, IS IN OPEN OPPOSITION TO THE POSTULATES OF INTERNATIONAL SOCIAL JUSTICE, WITHOUT WHICH TO PRETEND TO AN EFFECTIVE DEFENSE OF HUMAN RIGHTS RESULTS IN A FLAGRANT CONTRADICTION.

6. THE PRESIDENT OF THE REPUBLIC, GENERAL HUGO BANZER SUAREZ, HAS EXPRESSED ON VARIOUS OCCASIONS THAT THE DEFENSE OF THE FUNDAMENTAL RIGHTS OF MAN ACQUIRES TRUE RELEVANCE WHEN, THROUGH UNDERSTANDING OF MUTUAL PROBLEMS IN AN INTERDEPENDENT WORLD, THE INCOMES OF THE UNDERDEVELOPED NATIONS ARE NOT RESTRICTED, THEREFORE SIGNIFYING GREATER SUPPORT OF THE VITAL NEEDS OF EACH CITIZEN.

7. THE IDEALS OF (OUR) UNWAIVERING SUPPORT OF THE REPRESENTATIVE DEMOCRACIES AND THE PROTECTION OF THE RIGHTS OF THE INDIVIDUAL OUGHT TO BE ACCOMPANIED BY ACTS THAT DEMONSTRATE A DEEP SENSE OF INTERNATIONAL SOLIDARITY.
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 LA PAZ 02234 01 OF 02 171732Z

THE DEPRIVING OF ENTIRE PEOPLES OF THE MINIMUM OPPORTUNITIES THAT THEY REQUIRE FOR SUBSISTENCE IN ACCORDANCE WITH HUMAN DIGNITY IS, SURELY, ONE OF THE CRUELEST EXPRESSIONS IN DETRIMENT OF HUMAN RIGHTS.

8. BOLIVIA, TOGETHER WITH OTHER LESS DEVELOPED NATIONS, HAS THE LEGITIMATE RIGHT TO SEEK ITS INTEGRAL DEVELOPMENT, FREE OF THREATS OF MEASURES THAT DISTORT THE MARKETING OF ITS MAIN EXPORT COMMODITIES. THE NATION (BOLIVIA) SHOULD BE ABLE TO COUNT UPON THE POSSIBILITY OF ACCESS TO MARKETS OF THE GREAT POWERS FOR ITS NON-TRADITIONAL PRODUCTS, WITH EASY ACCESS TO SELECTIVE TECHNOLOGY THAT HAS BECOME THE EXCLUSIVE PATRIMONY OF PRIVILEGED NATIONS; IT NEEDS, IN SHORT, TO GENERATE ADDITIONAL RESOURCES THAT WILL ALLOW RAW MATERIAL TRANSFORMATION IN SITU, AS AN ESSENTIAL ELEMENT OF INDEPENDENT INDUSTRIALIZATION AND THE PERMANENT RIGHT OF CONTROL OVER NATURAL RESOURCES.

9. IN THE BILATERAL AREA THE FUTURE DISPOSAL OF TIN RESERVES FROM THE STRATEGIC STOCKPILE BY THE GSA, WOULD MEAN FAILURE TO RECOGNIZE THE MECHANISM OF CONSULTATION STATED IN THE JOINT DECLARATION SIGNED IN JUNE 1976, BETWEEN THE GOVERNMENTS OF BOLIVIA AND THE UNITED STATES OF AMERICA.

10. ON THE OTHER HAND, IN THE MULTILATERAL AREA THE REFERENCED SALES WOULD IMPLY A DEPARTURE FROM THE PRINCIPLES ADOPTED IN THE FRAMEWORK OF DEVELOPMENT COOPERATION CONTAINED IN DIFFERENT INSTRUMENTS SUCH AS THE STRATEGIES APPROVED IN THE FIRST, SECOND AND FOURTH UNITED NATIONS CONFERENCES ON TRADE AND DEVELOPMENT. THEY WOULD MEAN ALSO FAILURE TO RECOGNIZE AGREEMENTS REACHED IN THE FIFTH AND SEVENTH EXTRAORDINARY UNITED NATIONS MEETINGS AIMED AT THE ESTABLISHMENT OF A NEW INTERNATIONAL ECONOMIC ORDER TO PROMOTE JUST RELATIONS BETWEEN STATES, SETTING ASIDE THE RESPECTIVE LEVELS OF ECONOMIC GROWTH WHICH THEY MAY HAVE ACHIEVED.

11. THE GOVERNMENT OF BOLIVIA BELIEVES THAT THE REFERENCED LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 04 LA PAZ 02234 01 OF 02 171732Z

SALES WILL NOT CONTRIBUTE TO CLOSER RELATIONS BETWEEN BOLIVIAN AND THE UNITED STATES, BUT ON THE CONTRARY, WILL IMPEDE MUTUAL COOPERATIONS BETWEEN BOTH NATIONS, OBSTRUCTING SERIOUSLY THE NATIONAL (BOLIVIA) GOVERNMENT'S EFFORTS TO ACHIEVE BOLIVIAN DEVELOPMENT AND INSTEAD WILL GIVE RISE TO A PROFOUND SOCIAL UNREST IN THE COUNTRY.

12. IN THIS REGARD, THE GOVERNMENT OF BOLIVIA HOPES THAT THE GOVERNMENT OF THE UNITED STATES WILL BE RECEPTIVE AND UNDERSTANDING OF THE FIRM REPRESENTATION ON THIS IMPORTANT SUBJECT CONVEYED IN THIS DOCUMENT.
END ENGLISH TRANSLATION. SPANISH TEXT BY SEPTTEL.

BEGIN LIMITED OFFICIAL USE

13. IN PRESENTING THIS NOTE, ADRIAZOLA STRESSED THE POLITICAL DAMAGE TO BOLIVIA'S DEMOCRATIZATION PROCESS AND SAID THE TIMING OF THE ADMINISTRATION'S ANNOUNCEMENT COULD NOT HAVE BEEN WORSE. HE CLAIMED THAT WE HAD CREATED A RALLYING POINT

LIMITED OFFICIAL USE

NNN

LIMITED OFFICIAL USE

PAGE 01 LA PAZ 02234 02 OF 02 171736Z

ACTION EB-08

INFO OCT-01 ARA-10 ISO-00 L-03 GSA-02 CIAE-00 INR-10
NSAE-00 OES-07 INT-05 STR-07 COME-00 TRSE-00

OMB-01 INRE-00 HA-05 SS-15 SSO-00 NSCE-00 DODE-00

IO-13 SP-02 /089 W

-----030050 171753Z /50

O 171640Z MAR 78

FM AMEMBASSY LA PAZ

TO SECSTATE WASHDC IMMEDIATE 9924

LIMITED OFFICIAL USE SECTION 2 OF 2 LA PAZ 2234

WHICH WOULD BRING TOGETHER BOLIVIA'S MOST DESTRUCTIVE POLITICAL FORCES--THE VIOLENT, ANTI-DEMOCRATIC ELEMENTS, THE EXTREME LEFT POLITICAL PARTIES, THE MINERS AND THOSE WHO WANTED TO USE THEM TO DISRUPT ELECTIONS. AS BANZER HAD EARLIER, ADRIAZOLA OPINED THAT THE MOST SERIOUS POLITICAL THREAT BOLIVIA FACED NOW WAS SPREADING SABOTAGE BY MINERS OF TIN PRODUCTION AND THE EFFORT TO USE MINE DISRUPTION AND STRIKES TO UNDERMINE THE ECONOMY AND THE ELECTORAL PROCESS. HE LAMENTED THAT PRECISELY IN THIS MOMENT, THE US AND ANNOUNCED GSA TIN SALES WHICH HAVE BEEN HISTORICALLY BOTH ON OF BOLIVIA'S MOST VOLATILE POLITICAL ISSUES AND A PERCEIVED THREAT TO BOLIVIA'S WELL BEING IN THE EYES OF EVERY BOLIVIAN WORKER.

14. AS I HAVE WITH A DOZEN BOLIVIANS DAILY, I REVIEWED THE ECONOMIC CASE FOR US TIN SALES. IN CONCLUDING, I STRESSED THAT

--WE WERE CONVINCED THAT OUR ECONOMICS WERE RIGHT AND THAT, THEREFORE, GSA SALES WERE NOT GOING TO PRODUCE A PRECIPITOUS PRICE DROP;

--IF WE PROVED TO BE WRONG AND THE PRICE FELL SHARPLY, THE PRESIDENT HAD THE FLEXIBILITY TO ADJUST THE SALES PROGRAM
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 LA PAZ 02234 02 OF 02 171736Z

ACCORDINGLY;

--THE SPECIAL SITUATION OF BOLIVIA WAS RECOGNIZED AND WOULD BE TAKEN INTO ACCOUNT;

--THE CRITICAL POINT FOR BOLIVIA, I UNDERSTOOD, WAS THE 1978 TIN PRICE;

--I WAS CONVINCED, AND SO WERE SOME BOLIVIANS, THAT THERE WAS A TYPE OF GSA SALES PROGRAM WHICH WAS NOT INCONSISTENT WITH A REASONABLE AVERAGE TIN PRICE FOR BOLIVIA IN 1978.

15. POLITICALLY, I SAID THE BOLIVIANS SHOULD STOP SCREAMING ABOUT GSA SALES IN GENERAL AND START TAKING ADVANTAGE OF THE OPPORTUNITY TO INFLUENCE THE TIMING AND FORM OF THE GSA PROGRAM.

16. I HOPED WE COULD NOW STOP PUBLIC DENUNCIATIONS OF
US "ECONOMIC AGGRESSION" WHICH WERE BOTH UNJUSTIFIED BY THE
FACTS AND VERY UNHELPFUL POLITICALLY. WE BOTH HAD A NEED TO
LIMIT THE POLITICAL DAMAGE RESULTING FROM THE TIMING OF THE US
ANNOUNCEMENT.

17. ADRIAZOLA SAID (CORRECTLY) THAT IT WAS NOW PRESIDENTIAL
CANDIDATE PEREDA WHO WAS PREPETUATING AND EMOTIONALIZING THIS
ROW AND THAT ADRIAZOLA STRONGLY DISAGREED WITH PEREDA'S
HANDLING OF THIS ISSUE.
BOEKER

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: TIN, SALES, AIDE MEMOIRE, STOCKPILES, PRICE STABILITY, GOVERNMENT REACTIONS
Control Number: n/a
Copy: SINGLE
Draft Date: 17 mar 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978LAPAZ02234
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D780119-0723
Format: TEL
From: LA PAZ
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t19780356/aaaaburq.tel
Line Count: 236
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 599617c5-c288-dd11-92da-001cc4696bcc
Office: ACTION EB
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 5
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 05 may 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: N/A
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 3293874
Secure: OPEN
Status: NATIVE
Subject: BOLIVIAN AIDE-MEMOIRE ON US TIN STOCKPILE SALES. BEGIN UNCLASSIFIED FOLLOWING IS THE EMBASSY'S ENGLISH TRANSLATION OF
TAGS: EMIN, PDIP, ETRD, US, BL
To: STATE
Type: TE
vdkgvkey: odb://SAS/SAS.dbo.SAS_Docs/599617c5-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014